



March 26, 2025

Attn: House Committee on Climate, Energy, and the Environment  
Oregon State Capitol  
900 Court St. NE  
Salem, OR 97301

Re: Testimony in Support of House Bill 3868

Dear Chair Lively, Vice-Chair Bobby Levy, Vice-Chair Gamba & Members of the Committee,

The Oregon Solar + Storage Industries Association (OSSIA) supports House Bill 3868 (HB 3868), which aims to get more information on the utilities' true costs for development and how these costs translate to avoided cost rates set at the Oregon Public Utility Commission (OPUC).

OSSIA is a trade association founded in 1981 to promote clean, renewable, solar technologies. OSSIA members include businesses, non-profits, and other solar and storage stakeholders. We provide a unified voice of the solar industry and focus exclusively on the solar and storage value chains; from workforce development to permitting to advocacy. We represent the solar industry by advocating for effective policy and regulation for manufacturing, residential, commercial, community, and utility scale solar and storage projects on the local, state, and regional level.

OSSIA supports HB 3868 because a study by the Oregon Department of Energy ("ODOE") would help pull back the curtain on avoided cost calculations. The avoided cost rate is set to be the least cost the utility would pay to produce that power themselves or buy it elsewhere. The avoided cost rate is intended to be cost-neutral to ratepayers. Therefore, when the utilities often claim that the avoided cost rate results in increasing customer rates, with limited evidence, it causes confusion. HB 3868 would give ODOE the opportunity to study the avoided cost rate and truly assess the actual cost to utilities and ratepayers.

Having a clear and verified understanding of the utilities' avoided cost rate calculations would allow small scale solar projects to develop more reliably. The avoided cost rate used in standard contracts increases small scale renewable projects to achieve financial viability and secure financing. An accurate avoided cost rate is important to groups like OSSIA and CREA, as we cannot verify the accuracy of the utilities' avoided cost calculations.

OSSIA supports HB 3868 in order to bring transparency to utility cost claims.

Sincerely,

A handwritten signature in black ink that reads "Angela Crowley-Koch". The signature is written in a cursive, flowing style.

Angela Crowley-Koch  
Executive Director